



**OHIO DEPARTMENT OF JOB AND FAMILY SERVICES**  
**Bureau of Workforce Services**

145 South Front Street  
P.O. Box 1618  
Columbus, Ohio 43216-1618

**Bob Taft**  
*Governor*

**Barbara E. Riley**  
*Director*

March 6, 2006

Ms. Christine Kulick  
Chief, Division of One-Stop Operations  
USDOL/ETA Office of Workforce Investment  
Room S-4231  
200 Constitution Avenue, NW  
Washington, DC 20210

RE: Waiver Request Submission

Dear Ms. Kulick:

On behalf of the Ohio Department of Job and Family Services (ODJFS), the Office of Workforce Development, the entity responsible for the Workforce Investment Act (WIA) program in Ohio, I am respectfully requesting approval of the enclosed proposed WIA waiver request.

The proposed waiver request was developed in accordance with WIA Section 189 (i)(4), 20 CFR, Sections 661.400 - 661.420, and DOL's unnumbered draft Training and Employment Guidance Letter referencing the development and submission of waiver requests.

We appreciate the opportunity to submit this waiver request plan and look forward to receiving the Secretary's approval. We believe this waiver request will provide increase flexibility to the State of Ohio and local workforce investment boards in implementing services to youths who need more intensive employment and training activities, and support services.

If you have questions or require additional information, please call Mr. John B. Weber, Bureau Chief, Bureau of Workforce Services, at (614) 644-8836, or reach him by email at [weberj@odjfs.state.oh.us](mailto:weberj@odjfs.state.oh.us).

Sincerely,

William Demidovich, Deputy Director  
Office of Workforce Development

BW:JW:jd

Enclosure: Waiver Request

## **State of Ohio Waiver Request**

### **Waiver Request: *Allow a portion of locally allocated youth formula funds to be used for statewide youth activities and projects***

This waiver would allow local workforce investment boards to de-obligate voluntarily up to 10% of the local workforce investment areas' youth formula allocation for state youth projects. These 10% youth formula funds would result in an increase in state set-aside funds. The state using youth formula funds could award grants for youth projects statewide, regional or to contiguous or multiple local workforce investment areas.

The Workforce Investment Act (WIA) allows the recapture of funds when local workforce investment areas fail to spend funds within the two-year limitation. WIA restricts state set-aside to 15%, but set-aside can increase when funds are recaptured. WIA addresses how funds are reallocated when funds are recaptured.

WIA is silent on voluntary de-obligations from local workforce investment areas to the state. WIA does not explain if funds can be voluntarily de-obligated and how reallocation of these funds would occur. The state's interpretation is the reallocation provisions must be applied in cases of voluntary de-obligations. The reallocation provisions indicate when funds are recaptured the state can reallocate funds to local workforce investment areas that met the 80% obligation requirement, or the state can retain these funds for state projects.

The state and local workforce investment areas want the flexibility to collaborate and conduct youth initiatives with local youth formula funds. The state is requesting a waiver to use local workforce investment areas' youth formula allocated funds voluntarily returned for state youth projects and for these funds to be administered by the state and/or local level. These funds would not be subject to the 80% obligation requirement for recaptured funds.

#### **Section I: Statutory or Regulatory Requirements to be Waived**

Workforce Investment Act (WIA), 20 Code of Federal Regulations (CFR), Section 667.160 (b) and (c). Section 667.160 requires that funds recaptured by the state be reallocated to local workforce investment areas that have obligated at least 80% of the prior program year allocation and have expended any previous years' funds.

#### **Section II: State or Local Statutory or Regulatory Barriers Removed**

There are no state or local statutory or regulatory barriers to implementing the proposed waiver.

### **Section III: Goals to Achieve Using the Waiver**

The goals to be achieved by using this waiver are to:

- provide broader flexibility for the use of local workforce investment areas' youth formula allocated funds;
- provide in-depth services to youth populations including, but not limited to unemployed, those who are pregnant, or have a child, or children, individuals with disabilities, those who have been subject to the judicial system, and other youth groups identified by local workforce investment areas;
- help eligible youth build work skills, and maximize their fullest potential in the labor force;
- raise the skill levels of various youth target groups so they move into entry level positions, and then into higher level skilled positions;
- remove the barriers associated with youth target groups who have lived in poverty, have learning and/or physical disabilities, have been subject to a judicial system, or have other barriers;
- increase the level of services, and training, so targeted youth can be placed into unsubsidized employment;
- create, expand, and encourage collaborative initiatives between state agencies and local workforce investment areas using local youth formula funds.

### **Section IV: Programmatic Outcomes to Achieve Using the Waiver**

The expected programmatic outcomes will include:

- a reduction in the recidivism rate among ex-incarcerated youth;
- a reduction in the dropout rate, and an increase in the number of youth remaining in school;
- hard-to-serve youth becoming more marketable;
- youth receiving in-depth direct services which could include supportive services, training, intensive job search, and placement services;
- job placement or increasing employment at a higher wage with benefits;
- meet and improve employer satisfaction performance measure; and
- meet and improve customer satisfaction performance measure.

### **Section V: Individuals Impacted by the Waiver**

This waiver will affect eligible youth.

### **Section VI: Process Used to Monitor Progress in Implementing the Waiver**

The Ohio Department of Job and Family Services will monitor implementation and impact of this

waiver through a combination of reporting from the local workforce investment areas using the Sharing Career Opportunities and training Information (SCOTI) client management information system and state monitoring, oversight and evaluation techniques.

State staff may hold forums and meetings with workforce investment directors and local staff to seek feedback on the use, problems, and successes of the waiver. The feedback may allow for sharing better practices in taking the greatest advantage of opportunities offered by the waivers.

Surveys may be conducted on initiatives undertaken using this waiver. Monitoring of the waiver can occur through a variety of approaches that may include routine desktop reviews and on-site compliance monitoring. The state may consider using an independent entity to monitor, evaluate, and report on youth project(s).

**Section VII:** Process for Notice to Local Workforce Investment Boards and Opportunity to Comment

This waiver request was posted for review and comment by local workforce investment areas and the public on the website at <http://www.ohioworkforce.org>. The Ohio Department of Job and Family Services issued an email E-Alert letting workforce investment act practitioners and stakeholders know the waiver was posted on January 27, 2006. Comments were submitted to the Bureau of Workforce Services through the e-mail account, [wiaqna@odjfs.state.oh.us](mailto:wiaqna@odjfs.state.oh.us). The comment period was for 30 calendar days.

## Waiver Comments

The comments below indicate opposition to this waiver request because of a misunderstanding of the purpose for requesting this waiver. The submission of this waiver is at the request of several local workforce investment boards. The waiver request distinguishes between the reallocation of recaptured funds requirement and funds voluntarily returned to the state. Local workforce investment boards and administrative entities now understand that funds voluntarily returned are for state youth projects involving local workforce investment areas voluntarily wanting to conduct collaborative state youth projects, and these funds would not be subject to the 80% obligation requirement for recaptured funds.

## Comments Received

I just read your youth formula/de-obligation waiver request--nice job! DOL has already approved a very similar request for the State of Florida. In your waiver letter to DOL, you may want to consider inserting some of Florida's language, mention drafting guidance to implement the waiver if approved, and that Ohio would like the same flexibility that DOL has already given to Florida (ref. Florida's Waiver 2002/2005).

<http://waivers.doleta.gov/lettersState.cfm>

Tony

I am adamantly opposed to the Waiver Request: Allow a portion of locally allocated youth formula funds to be used for statewide youth activities and projects.

Mary Anne Marn,  
Unit Controller  
Sodexho Collinwood Yard  
Cleveland, Ohio 44110

I withdraw my objection.

Mary Anne Lamppert,  
Unit Controller  
Sodexho Collinwood Yard  
15300 South Waterloo Rd  
Cleveland, Ohio 44110

I do not think this waiver is a good idea. If an Area has Youth funds to voluntarily de-obligate those funds should be distributed to areas that need additional funding. Our Area has seen cuts of at least 30%-40% in youth funds over the past few years making it difficult to continue to provide services to our youth. To my knowledge we have never received additional youth funds that have been de-obligated from other areas. Allowing de-obligated funds to be used on a statewide or regional basis will only lessen the chance that we would ever receive these additional funds. The state needs to realize that many WIA Areas, especially those in Appalachia, are in need of more WIA funds in all categories.

Thank you.

Jack Cera

The Geauga, Ashtabula, Portage Partnership (GAPP) Workforce Investment Board (WIB) - Area 19 recently met and reviewed the proposed waiver request described above. The GAPP WIB is not in favor of such a waiver as funds should be focused at the local level.

Kristin M. Jacobs, Director  
GAPP, Inc.  
Workforce Area 19  
470 Center St., Bldg. 6  
Chardon, OH 44024